AMENDED IN ASSEMBLY JANUARY 4, 2006

CALIFORNIA LEGISLATURE—2005-06 REGULAR SESSION

ASSEMBLY BILL

No. 782

Introduced by Assembly Member Mullin

February 18, 2005

An act relating to housing. An act to amend Sections 33030 and 33320.1 of the Health and Safety Code, relating to redevelopment.

LEGISLATIVE COUNSEL'S DIGEST

AB 782, as amended, Mullin. Housing. Redevelopment: project area.

The Community Redevelopment Law authorizes the establishment of redevelopment agencies in communities to address the effects of blight, as defined, in those communities. That law also specifies both the physical and economic conditions that cause blight and defines a project area as a "predominantly urbanized" area of a community that is a blighted area. One criterion of blight is that the land in the project area is characterized by the existence of subdivided lots of irregular form and shape and inadequate size for proper usefulness and development that are in multiple ownership.

This bill would delete this criterion from the definition of "blight" for purposes of these provisions.

Under existing law, there are programs providing assistance for, among other things, multifamily housing, emergency housing, farmworker housing, homeownership for low— and very low income households, and downpayment assistance for first—time homebuyers.

This bill would make legislative findings and declarations regarding the need to make more housing available.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

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The people of the State of California do enact as follows:

SECTION 1. Section 33030 of the Health and Safety Code is amended to read:

- 33030. (a) It is found and declared that there exist in many communities blighted areas which constitute physical and economic liabilities, requiring redevelopment in the interest of the health, safety, and general welfare of the people of these communities and of the state.
 - (b) A blighted area is one that contains both of the following:
- (1) An area that is predominantly urbanized, as that term is defined in Section 33320.1, and is an area in which the combination of conditions set forth in Section 33031 is so prevalent and so substantial that it causes a reduction of, or lack of, proper utilization of the area to such an extent that it constitutes a serious physical and economic burden on the community which cannot reasonably be expected to be reversed or alleviated by private enterprise or governmental action, or both, without redevelopment.
 - (2) An area that is characterized by either of the following:
- (A) One one or more conditions set forth in any paragraph of subdivision (a) of Section 33031 and one or more conditions set forth in any paragraph of subdivision (b) of Section 33031.
- (B) The condition described in paragraph (4) of subdivision (a) of Section 33031.
- (c) A blighted area also may be one that contains the conditions described in subdivision (b) and is, in addition, characterized by the existence of inadequate public improvements, parking facilities, or utilities.
- SEC. 2. Section 33320.1 of the Health and Safety Code is amended to read:
- 33320.1. (a) "Project area" means, except as provided in Section 33320.2, 33320.3, 33320.4, or 33492.3, a predominantly urbanized area of a community which that is a blighted area, the redevelopment of which is necessary to effectuate the public purposes declared in this part, and which that is selected by the planning commission pursuant to Section 33322.
- (b) As used in this section, "predominantly urbanized" means that not less than 80 percent of the land in the project area *is either of the following*:

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- (1) Has been or is developed for urban uses; or.
- (2) Is characterized by the condition described in paragraph (4) of subdivision (a) of Section 33031; or

(3)

- (2) Is an integral part of one or more areas developed for urban uses—which that are surrounded or substantially surrounded by parcels—which that have been or are developed for urban uses. Parcels separated by only an improved right-of-way shall be deemed adjacent for the purpose of this subdivision.
- (c) For the purposes of this section, a parcel of property as shown on the official maps of the county assessor is developed if that parcel is developed in a manner—which that is either consistent with zoning or is otherwise permitted under law.
- (d) The requirement that a project be predominantly urbanized shall apply only to a project area for which a final redevelopment plan is adopted on or after January 1, 1984, or to an area-which that is added to a project area by an amendment to a redevelopment plan, which amendment is adopted on or after January 1, 1984.

SECTION 1. (a) The Legislature finds and declares all of the following:

- (1) Approximately 220,000 housing units need to be produced in California each year to meet demand. Yet only four times in the last 20 years has the production target been reached.
- (2) While the national homeownership rate has reached a record high, the rate in California is 10 percent below the national average, and ranks 48th in the nation.
- (3) There is an extreme shortage of rental housing in California, particularly for lower income renters. Rental housing construction is primarily at the high end of the rental market. The statewide rental vacancy rate is fourth lowest in the nation.
- (4) Over one-third of all renter families statewide pay over half their incomes in rent. Over one-half of all low-income renter families pay over half their incomes in rent, while almost three out of four very low income renter families pay over half their incomes in rent. It requires 106 hours per week at a minimum wage job to afford the average two-bedroom unit in California.
- (5) One out of every eight housing units statewide is in substandard condition, and one of every eight metropolitan

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California rentals is overcrowded. Threats to resident safety and 1 2 displacement and costs of repairs and rehabilitation can be 3 mitigated with more effective local housing code enforcement 4 and compliance activities. Moreover, increased availability of 5 public funds to help finance rehabilitation and repairs will result in the preservation of existing housing rather than replacement of 6 7 that housing at higher construction costs.

- (6) The Department of Housing and Community Development estimates that there are over 360,000 homeless individuals in California, and other data discloses that one-third of the homeless population, and the segment increasing most rapidly, are families with children.
- (7) More than 147,000 rental units built in this state prior to 1980 under the Section 236, Section 221(d)(3), and Section 8 programs of the United States Department of Housing and Urban Development and the Section 515 program of the federal Farmers Home Administration are at risk of conversion to higher rent housing or condominium units. Loss of this housing stock will displace thousands of elderly, disabled, and struggling families with no place to go.
- (8) The basic housing goal for state government pursuant to subdivision (b) of Section 50003 of the Health and Safety Code is to provide a decent home and suitable living environment for every California family.
- (b) The Legislature further finds and declares all of the following:
- (1) There is an urgent need to provide affordable housing to meet the increasingly unfulfilled housing needs of this state.
- (2) There is an immediate need to reaffirm the commitment to the official housing policy of the state and provide sufficient financial resources to meet this commitment over a reasonable period of time.
- (3) There is a critical need to provide financial assistance to do all of the following:
- (A) Purchase, construct, and rehabilitate emergency shelters and transitional housing for homeless families and individuals.
- (B) Construct rental housing for families and individuals, including the special housing needs of seniors, the disabled, and 38 39 farmworkers.

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- 1 (C) Preserve and rehabilitate affordable homes and rental 2 housing.
- 3 (D) Provide home purchase assistance for first-time 4 homebuyers.